

The Charity Registration Number is :- 1045362

AL BADR ISLAMIC TRUST

Report and Accounts

31 December 2022

AL BADR ISLAMIC TRUST

Report and accounts for the year ended 31 December 2022

Contents

	Page
Charity information	1
Trustees' Annual Report	1
Statement of Trustees' responsibilities	6
Independent Auditors' Report	7
<i>Funds Statements:-</i>	
Statement of Financial Activities	10
Statement of Financial Activities - Prior Year statement	11
Statement of total recognised gains and losses	12
Movements in funds	12
Summary of funds	12
Balance sheet	13
Cash flow statement	14
Notes to the accounts	15-26

AL BADR ISLAMIC TRUST

Trustees' Annual Report for the year ended 31 December 2022

The Trustees present their Report and Accounts for the year ended 31 December 2022.

Reference and administrative details

The charity name.

The legal name of the charity is:- AL BADR ISLAMIC TRUST

The charity is also known by its operating name, Jamea Al Kauthar, Abrar Academy and Darul Uloom Preston

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1045362

Legal structure of the charity

The charity is constituted as an unincorporated charity, established by Trust Deed. The governing document of the charity is the Trust Deed establishing the charity.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address:

Jamea al Kauthar
Ashton Road
Lancaster
LA1 5AJ

The Trustees in office on the date the report was approved were:-

Mr Fazl Wadee- Managing Trustee

Mr Huzayfa Wadee

Mr Ra'ees Master appointed on 11 December 2022

The trustees who served as a trustee in the reporting period were as shown above with the addition of Mr Raees Master.

Objects and activities of the charity

To advance education for the public benefit by the provision of Islamic boarding schools and to advance religion according to the tenets of the Islamic faith

The aim of the charity is to provide an opportunity to study traditional Islamic sciences with secondary and further education in a safe secure boarding school environment.

AL BADR ISLAMIC TRUST

Trustees' Annual Report for the year ended 31 December 2022

The main activities undertaken in relation to those purposes during the year.

The Lancaster centre- Jamea al Kauthar. Established in 1996, we are dedicated to welcoming students into an academic atmosphere that is spiritually enriching and physically nurturing. We cater for girls from ages 11 and above, providing an Islamic education as well as high school and sixth form subjects.

The school places great emphasis on providing an excellent Islamic environment that is conducive to acquiring a good education whilst catering for a culturally and ethnically diverse student population. Students are challenged to pursue excellence in a family-like environment, and their welfare and progression is our highest priority. An extensive pastoral care system ensures that our girls are treated as important individuals. We are constantly working hard to improve our facilities to deliver a good education and a memorable student experience.

Jamea Al Kauthar is located in the heart of Lancaster in the UK, and consists of a Victorian four storey, grade II listed building (formerly The Royal Albert). The main building forms the central accommodation at the boarding school with separate wings designated for separate boarding houses. The madrasah and school are situated in two separate buildings, and all three buildings are surrounded by 20.5 acres of beautiful natural grounds giving a serene setting to relax and enhance the mind and body.

The Preston Centre- Abrar Academy opened in 2009 is an Independent Secondary College for boys from the age of 11. We offer a balanced curriculum, encompassing the full time Alimiyyah and Hifz course combined with the traditional English curriculum. In 2015, Darul Uloom Preston was established to provide students from outside Preston an opportunity to come and study in an academic atmosphere that is spiritually enriching and physically nurturing.

The Charity also runs a spiritual centre and a Masjid in Blackburn known as Khankah from Robinson Street, Blackburn. The charity runs a Masjid in Accrington which is being re-developed after the complete demolition of its building structure.

The main activities undertaken during the year to further the charity's purpose for the public benefit.

Jamea at Lancaster offers the following subjects at KS3: English, Maths, Science, ICT, Art, PSHE & Citizenship, Humanities, PE, and Urdu. At GCSE Level, students are entered for English Language, English Literature, Maths, Combined Science, Religious Studies, Urdu, ICT and History.

Jamea offers English, Urdu and Maths at AS Level and English, Urdu and RS at A2. Jamea also offers many level 3 courses, such as BTEC ICT, BTEC Science and BTEC Health & Social Care.

In September 2015, Abrar School in Preston opened its boarding facilities known as Darul ul Uloom Preston and has now many boarding students. All boarding students benefit from a spiritually uplifting environment that helps them develop spiritually and as exemplary citizens who greatly contribute to society.

We have recently expanded our provision for the Muslim community in the north west, with the purchase of additional facilities in Preston (to add to our expanding Preston centre), and with the establishment of a places of worship in both Accrington and Blackburn. Many of our newly established sites aim to provide Islamic education for disadvantaged children from deprived backgrounds.

AL BADR ISLAMIC TRUST

Trustees' Annual Report for the year ended 31 December 2022

The short term and longer term aims and objectives.

At our schools, we aspire to cultivate morality and inspire our girls and boys to graduate as able, confident British Muslim citizens and outstanding role models for their communities. To this end, the graduates of our college not only perform well in the school, they also transfer high standards of moral and ethical values, principles and standards to their chosen paths within their own communities. The long term objective is to instil religious Islamic education combined with secular education to enrich the fabric of tomorrow's society.

The main achievements and performance of the charity during the year.

This reporting year, Jamea al Kauthar had the joy of celebrating the graduation ceremony of 42 Aalima and 5 Sanatayn students, whilst in Darul Uloom Preston 5 Aalim students graduated and 9 Hifz students completed their Quran memorisation.

The Trustees are happy to report yet again that the Jamea al Kauthar GCSE 2022 results were excellent.

The results in GCSE English, GCSE History and ICT were well above average, and the strong pass percentage in English and Maths was in line with the national average.

Abrar Academy in Preston, which serves as a residential and non-residential boys' school, is continuing to provide secondary education, as well as A level provision for post 16 boys. In 2022, many of the students achieved excellent results in their GCSEs, which they completed alongside their Islamic curriculum

Fundraising activities during the year.

The charity relies on aid from the individual donors, whose support is valued. The charity continued its normal fundraising activities to update and improve the educational establishments it provides for the community.

In order to comply with the disclosures required by Section 62A of the Charities Act 2011 as introduced by the Charities (Protection and Social Investment) Act 2016, the Trustees state that the Trust does not use professional fundraisers.

The difference the charity's performance during the year has made to the beneficiaries of the charity.

The Charity runs Islamic courses along with GCSE and A Level courses, benefitting more than 250 boarding students at the main Lancaster centre. This continues to draw much interest within the community, with many applicants applying from all over the country.

The degree to which the achievements and performance during the year have benefited wider society.

Al Badr Islamic Trust recognises the importance of contributing to the community and community cohesion. Many of the students that graduate from our schools, go on to work at schools and charities in their local area. Our students also regularly raise money for local charities and worldwide causes. The schools work on many initiatives that contribute to society, such as visits to the local old people's home and donating to local food and clothing banks.

AL BADR ISLAMIC TRUST

Trustees' Annual Report for the year ended 31 December 2022

Structure, governance and management of the charity

The methods used to recruit and appoint new charity trustees.

The trustees have the power to appoint new trustees. The board can invite suitable candidates who are from the local muslim community to serve as Trustees and new trustees will receive induction training which is tailored to the specific needs of the individual and will always include full training on organisational policies. There are no membership structure within the trust.

The charity has three appointed trustees who have overall control and responsibility for policy and major decision making. Day to day management and responsibility for implementing policies is carried out by a full time Managing Trustee Mr Fazl Wadee

Financial review

The charity's financial position at the end of the year ended 31 December 2022

The financial position of the charity at 31 December 2022 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2022	2021
	£	£
Net income	(257,650)	102,044
Unrestricted Revenue Funds available for the general purposes of the charity	5,776,879	6,039,329
Restricted Funds	64,800	60,000
Total Funds	5,841,679	6,099,329

Financial review of the position at the reporting date, 31 December 2022 .

The trustees consider the financial performance by the charity during the year to have been satisfactory. The principal funding of the charity is from parents of students given by way of contributions fees for their children. Park Campus Moor Park Avenue, Preston PR1 6AS: This property was acquired and is now being rented by the previous owner and the rental income is materially contributing to a fixed yearly income that gives the Trust significant source of secured cash flow benefits.

Policies on reserves.

The level of cash reserves at any given time is based on the requirement for a full months expenditure. The level of cash liquid reserves changes drastically in the month of January, April and September when the fees instalment is received from the students. At the end of December the funds will always be at a low level. The fixed asset pool is fully utilised for charitable purposes. The Trust has a pool of assets under investment properties that are used to generate cash by way of rental income for maintaining a regular source of liquid funds. There are no designated funds set aside.

AL BADR ISLAMIC TRUST

Trustees' Annual Report for the year ended 31 December 2022

Going Concern

The trustees have given careful consideration to going concern. The net current asset liabilities is significantly in deficit, the trustees consider that the Karz Hassana (Interest free loans given for charitable purposes) are not demanded by the lenders for long periods of time, although legally they are payable on demand. Historically, these loans have remained fixed and many times converted into donations.

Public Benefit

When planning the charity activities, the board of Trustees have taken into consideration the Commissions guidance and the specific guidance on charities for the advancement of religion.

It is charity policy, that when it is necessary to waive fees for services and goods provided to help the students from poor and disadvantaged families the trust will implement this policy and regard it as provision of services for public benefit.

Details of The Auditor

Shamim Mahomed

Member of Institute of Chartered Accountants of England and Wales

Pegasus House

5 Winckley Court

Mount Street

Preston

PR1 8BU

AL BADR ISLAMIC TRUST

Trustees' Annual Report for the year ended 31 December 2022

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the Report of the Trustees and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008 and follow the specific guidance issued by the Charities Commission of England and Wales under FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities).

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Mr Huzayfa Wadee

Trustee

Date:

10/3/24

Independent auditor's report to the Trustees of Al Badr Islamic Trust

Opinion

We have audited the financial statements of Al Badr Islamic Trust (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, The Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its Income and Expenditure for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 144 Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

A further description of our responsibilities from the Financial Reporting Council's website is set out below;

As part of an audit in accordance with ISAs (UK), the auditor exercises professional judgment and maintains professional scepticism throughout the audit.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

The auditor also:

- Identifies and assesses the risks of material misstatement of the entity's (or where relevant, the consolidated) financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. The auditor includes an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud.

-Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

-Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors

-Concludes on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If the auditor concludes that the use of the going concern basis of accounting is appropriate and no material uncertainties have been identified, the auditor reports these conclusions in the auditor's report. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern

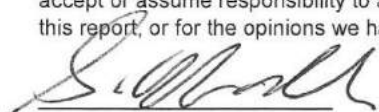
-Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

This description forms part of our auditor's report.

SKM Chartered Accountants is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



13/3/24

Shamim Mahomed
For and on behalf of:
SKM Chartered Accountants
Statutory Auditor
5 Winckley Square, Mount Street
Preston. PR1 8BU

AL BADR ISLAMIC TRUST - Statement of Financial Activities for the year ended 31 December 2022

Statement of Financial Activities for the year ended 31 December 2022

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2022	2022	2022	2021
	£	£	£	£
Income & Endowments from:				
Donations & Legacies	220,121	-	220,121	157,285
Charitable activities	1,156,422	-	1,156,422	1,280,580
Investments	75,653	-	75,653	81,624
Total income	1,452,196	-	1,452,196	1,519,489
Expenditure on:				
Charitable activities	1,594,896	-	1,594,896	1,456,980
Total expenditure	1,594,896	-	1,594,896	1,456,980
Net gains/(losses) on investments	(114,950)	-	(114,950)	39,535
Net income for the year	(257,650)	-	(257,650)	102,044
Transfers between funds	(4,800)	4,800	-	-
Net income after transfers	(262,450)	4,800	(257,650)	102,044
Total funds brought forward	6,039,329	60,000	6,099,329	5,997,285
Total funds carried forward	5,776,879	64,800	5,841,679	6,099,329

A Statement of Total Recognised Gains and Losses is included as a primary statement in these accounts.

All activities derive from continuing operations

The notes attached on pages 15-26 to 26 form an integral part of these accounts.

AL BADR ISLAMIC TRUST - Statement of Financial Activities for the year ended 31 December 2022

AL BADR ISLAMIC TRUST - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	Prior Year Unrestricted Funds 2021 £	Prior Year Restricted Funds 2021 £	Prior Year Total Funds 2021 £
Income from:			
Donations & Legacies	172,895	101,856	157,285
Charitable activities	1,292,758	-	1,280,580
Investments	76,124	-	81,624
Total income	1,541,777	101,856	1,519,489
Expenditure on:			
Charitable activities	1,150,705	101,856	1,456,980
Total expenditure	1,150,705	101,856	1,456,980
Net gains/(losses) on investments	45,000		39,535
Net income for the year	391,072	-	62,509
Net movement in funds	436,072	-	102,044
Reconciliation of funds:-			
Total funds brought forward	5,937,285	60,000	5,997,285
Total funds carried forward	6,373,357	60,000	6,099,329

All activities derive from continuing operations

A Statement of Total Recognised Gains and Losses is included in these accounts as a separate primary statement

AL BADR ISLAMIC TRUST - Statement of Financial Activities for the year ended 31 December 2022

Statement of Total Recognised Gains and Losses for the year ended 31 December 2022

	2022 £	2021 £
Surplus for the year :-		
Net excess/(deficit) of income over expenditure from operations before tax	(142,700)	62,509
<i>Income from operations before tax in the Statement of Financial Activities</i>	<u>(142,700)</u>	<u>62,509</u>
Realised gains on the disposal of investments	-	(5,465)
<i>Surplus/(Deficit) as shown in the Income and Expenditure account</i>	<u>(142,700)</u>	<u>57,044</u>
<i>Add/(deduct) non income and expenditure items:-</i>		
Unrealised gains on investments	(114,950)	45,000
Net Movement in funds before taxation	<u>(257,650)</u>	<u>102,044</u>
Funds generated in the year as shown on Statement of Financial Activities	<u>(257,650)</u>	<u>102,044</u>

Resources applied in the year ended 31 December 2022 towards fixed assets for Charity use:-

	2022 £	2021 £
Funds generated in the year as detailed in the SOFA	(257,650)	102,044
Resources applied on functional fixed assets	(81,469)	(123,411)
Net resources available to fund charitable activities	<u>(339,119)</u>	<u>(21,367)</u>

Movements in revenue and capital funds for the year ended 31 December 2022

Revenue accumulated funds

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Last year Total Funds 2021 £
Accumulated funds brought forward	6,039,329	60,000	6,099,329	5,997,285
Recognised gains and losses before transfers	(257,650)	-	(257,650)	102,044
	<u>5,781,679</u>	<u>60,000</u>	<u>5,841,679</u>	<u>6,099,329</u>
Transfer between funds	(4,800)	4,800	-	-
Closing revenue funds	<u>5,776,879</u>	<u>64,800</u>	<u>5,841,679</u>	<u>6,099,329</u>

Summary of funds

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Last Year Total Funds 2021 £
Revenue accumulated funds	<u>5,776,879</u>	<u>64,800</u>	<u>5,841,679</u>	<u>6,099,329</u>

AL BADR ISLAMIC TRUST - Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	5,916,119	5,999,437
Investments held as fixed assets		770,000	855,000
Total fixed assets		<u>6,686,119</u>	<u>6,854,437</u>
Current assets			
Debtors	11	163,222	198,708
Investments held as current assets	12	267,718	382,668
Cash at bank and in hand		40,766	59,325
Total current assets		<u>471,706</u>	<u>640,701</u>
Creditors: amounts falling due within one year	13	<u>(1,316,146)</u>	<u>(1,395,809)</u>
Net current liabilities		(844,440)	(755,108)
The total net assets of the charity		<u>5,841,679</u>	<u>6,099,329</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

Restricted Funds	16	64,800	60,000
Unrestricted Funds			
Unrestricted Revenue Funds	16	5,776,879	6,039,329
Total charity funds		<u>5,841,679</u>	<u>6,099,329</u>

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to audit under charity legislation, and the report of the Charities Act auditor is on page 9.



Mr Huzayfa Wadee
Trustee

Approved by the board of trustees on: 13/03/24

The notes attached on pages 15-26 to 26 form an integral part of these accounts.

AL BADR ISLAMIC TRUST

Cash Flow Statement for the year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash provided by operating activities as shown below	(39,774)	(22,202)
Cash flows from investing activities		
Other investment income, including rents from investments	75,653	81,624
Proceeds from sale of investments	88,644	-
Purchase of property, plant and equipment	(81,469)	(126,961)
Net cash used in investing activities	82,828	(45,337)
Cash flows from financing activities		
Cash inflows from new borrowings	(11,500)	20,200
Net cash provided by /(used in) financing activities	(11,500)	20,200
Overall cash used in all activities	31,554	(47,339)
Cash movements		
Change in cash and cash equivalents from activities in the year ended 31 December 2022	31,554	(47,339)
Cash and cash equivalents at 1 January 2022	9,212	56,551
Change in cash and cash equivalents due to exchange rate movements	-	-
Cash at bank and in hand less overdrafts at 31 December	40,766	9,212
Reconciliation of net income to net cash flow from operating activities		
Net income as shown in the Statement of Financial Activities	(257,650)	102,044
Adjustments for :-		
Depreciation charges	164,787	169,612
Net losses/(gains) on investment assets	114,950	(39,535)
Dividends, interest and rents from investments	(75,653)	(81,624)
Profit /Loss on the sale of Fixed and Intangible Assets	(3,644)	1,714
Increase in current asset investments	-	(237,995)
Decrease/(increase) in debtors	35,486	(27,673)
Increase/(decrease) in creditors, excluding loans	(18,050)	91,255
Net cash provided by operating activities	(39,774)	(22,202)
Analysis of cash and cash equivalents		
	2022 £	2021 £
Cash in hand at for the year ended 31 December 2022	40,766	59,325
Overdrafts facility repayable on demand	-	(50,113)
Total cash and cash equivalents	40,766	9,212

AL BADR ISLAMIC TRUST

Notes to the Accounts for the year ended 31 December 2022

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, and Charities Sorp FRS102 (Effective 1 January 2019) published by Charities Commission in England and Wales and in accordance with all applicable law and United Kingdom Generally Accepted Accounting Standards and Practice

The charity is a public benefit entity.

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commissions's general guidance on public benefit

Recognition of Income, liabilities and expenditure

Incoming resources are accounted for on a receivable basis except for donations which are accounted for only when received. The value of services provided by volunteers has not been included.

Resources expended are recognised in the period in which they are incurred, Resources expended include the attributable VAT. It comprises those resources expended by the charity in the delivery of its education services for the benefit of its beneficiaries, mainly children. A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition. Assets under £500 are not capitalised when acquired and if the net book value falls below £500 the amount is written off. All assets that have been fully depreciated are also removed from the fixed assets valuation

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold land	nil
Buildings	2 % straight line
Plant and machinery, fixtures and vehicles	25 % reducing balance

A regular annual review of the likelihood of asset impairment is undertaken.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price. Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Investments

Investments held as fixed and current assets are valued at the balance sheet date by the Trustees.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the objectives of the charity. There are no designated funds set up by the Trustees

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law. The Trust has restricted fixed assets funds

AL BADR ISLAMIC TRUST

Notes to the Accounts for the year ended 31 December 2022

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Significance of financial instruments to the charity's position

The loans under creditors due within one year are loans known as Karze Hassana and loaned by individuals on the basis that they are repayable on demand and interest free.

5 Net surplus before tax in the financial year

	2022 £	2021 £
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	164,787	169,612
Pension costs	1,945	1,490
Auditors' remuneration	3,960	6,700

6 Investment gains

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Realised gains/(losses)				
Other Unlisted Investments	-	-	-	(5,465)
Total realised gains/(losses)	-	-	-	(5,465)
Unrealised gains /(losses) and writing down of carrying values				
Other Unlisted Investments - Unrealised	(114,950)	-	(114,950)	-
Investment properties - Unrealised	-	-	-	45,000
Total unrealised gains/(losses) etc	(114,950)	-	(114,950)	45,000

AL BADR ISLAMIC TRUST

Notes to the Accounts for the year ended 31 December 2022

7 Staff costs and emoluments

Salary costs	2022	2021
	£	£
Gross Salaries excluding trustees and key management personnel	456,391	480,185
Employer's operating costs of defined contribution pension schemes	1,945	1,490
Total salaries, wages and related costs	458,336	481,675

Numbers of full time employees or full time equivalents	2022	2021
The average number of total staff employed in the year was	57	64

The estimated staff deployed in different activities in the year was:-

Engaged on charitable activities	53	62
Engaged on management and administration	4	4

None of the trustees have received any remuneration from the charity or any related entity, either in the current or prior year. The details of remuneration paid to persons connected to the trustees are shown in note 8

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

8 Remuneration and payments to persons connected with the Trustees

	2022	2021
	£	£
Hamna Wadee	6,078	5,760
Fatema Wadee	8,888	8,545
Umama Wadee	10,359	-
M. Taheer Wadee	4,377	-
	29,702	14,305

The payments to the above are for services to support the activities of the charity and the payment is comparable to other staff in similar position. The payment is not specifically prohibited by the Trust deeds.

9 Tangible fixed assets

	Land and Buildings	Plant & Machinery & Vehicles	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 January 2022	7,342,685	676,481	300,826	8,319,992
Additions	81,469	-	-	81,469
Disposals	-	-	-	-
At 31 December 2022	7,424,154	676,481	300,826	8,401,461
Depreciation				
At 1 January 2022	1,420,780	619,662	280,113	2,320,555
Charge for the year	141,387	15,968	7,432	164,787
Eliminated on disposals	-	-	-	-
At 31 December 2022	1,562,167	635,630	287,545	2,485,342
Net book value				
At 31 December 2022	5,861,987	40,851	13,281	5,916,119
At 31 December 2021	5,921,905	56,819	20,713	5,999,437

Freehold land at valuation on acquisition not depreciated included above **£350,000**

There are no inalienable or heritage assets and all assets are used for direct charitable purposes.

AL BADR ISLAMIC TRUST

Notes to the Accounts for the year ended 31 December 2022

10 Investments held as fixed assets

	Other unlisted investments	Total
	£	£
Carrying values of investments		
At 1 January 2022	855,000	855,000
Writing down at 31 December 2022	-	-
Disposals	(85,000)	(85,000)
At 31 December 2022	770,000	770,000
Analysis between fair value and historical cost		
Investments as above held at fair value	770,000	770,000
Investments as above held at historical cost, less any write down	555,663	555,663

The open market valuation was carried out by the Trustees after appropriate enquiries and market values that are regarded as minimum prices below which the Trustees would not accept for disposal given the current market conditions.

11 Debtors

	2022	2021
	£	£
Trade debtors	151,222	198,708
Other debtors	12,000	-
	163,222	198,708

12 Investments held as current assets value at 31 December 2022

At market Value	2022	2021
	£	£
Other investments	267,718	382,668

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Karze Hassana loans and bank overdrafts	1,034,832	1,096,445
Trade creditors	255,069	271,133
Accruals	27,828	31,203
PAYE, NIC VAT and other taxes	(1,583)	(2,972)
	1,316,146	1,395,809

AL BADR ISLAMIC TRUST

Notes to the Accounts for the year ended 31 December 2022

14 Income and Expenditure account summary

	2022 £	2021 £
At 1 January 2022	6,054,329	5,997,285
Surplus after tax for the year	(257,650)	57,044
At 31 December 2022	<u>5,796,679</u>	<u>6,054,329</u>

15 Particulars of how particular funds are represented by assets and liabilities

At 31 December 2022	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	5,851,319	-	64,800	5,916,119
Investments at valuation:-				
<i>Fixed asset investments</i>	770,000	-	-	770,000
Current Assets	471,706			471,706
Current Liabilities	(1,316,146)	-	-	(1,316,146)
	<u>5,776,879</u>	<u>-</u>	<u>64,800</u>	<u>5,841,679</u>
At 1 January 2022	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	5,939,437	-	60,000	5,999,437
Investments at valuation:-				
Fixed asset investments	855,000	-	-	855,000
Current Assets	640,701	-	-	640,701
Current Liabilities	(1,395,809)	-	-	(1,395,809)
	<u>6,039,329</u>	<u>-</u>	<u>60,000</u>	<u>6,099,329</u>

16 Change in total funds over the year as shown in Note 15 , analysed by individual funds

	Funds brought forward from 2021 £	Movement in funds in 2022 £	Transfers between funds in 2022 £	Funds carried forward to 2023 £
		See Note 17		
Unrestricted and designated funds:-				
Total unrestricted and designated funds	<u>6,039,329</u>	<u>(257,650)</u>	<u>(4,800)</u>	<u>5,776,879</u>
Restricted funds:-				
Total restricted funds	<u>60,000</u>	<u>-</u>	<u>4,800</u>	<u>64,800</u>
Total charity funds	<u>6,099,329</u>	<u>(257,650)</u>	<u>-</u>	<u>5,841,679</u>

AL BADR ISLAMIC TRUST

Notes to the Accounts for the year ended 31 December 2022

17 Analysis of movements in funds over the year as shown in Note 16

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2022	2022	2022	2022
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	1,452,196	(1,594,896)	(114,950)	(257,650)
Restricted funds:-				
Restricted funds	-	-	-	-
	<u>1,452,196</u>	<u>(1,594,896)</u>	<u>(114,950)</u>	<u>(257,650)</u>

18 The purposes for which the funds as detailed in note 16 are held by the charity are:-

Unrestricted and designated funds:-

Unrestricted Revenue Funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

Restricted asset funds

These funds are held in accordance with the restrictions placed by the donor in the land registry documents.

19 Ultimate controlling party

The charity is under the control of its legal trustees

AL BADR ISLAMIC TRUST

Activity analysis of Income and expenditure for the for the year ended 31 December 2022

This analysis is classssified by activity and not by conventional nominal descriptions.

20 Analysis of income by activity

	2022 £	2021 £
Activity		
Income from charitable activities		
Teaching activities	1,088,634	1,164,182
Welfare and accomodation	63,523	80,106
Student support	4,265	36,292
Total Income from charitable activities	1,156,422	1,280,580
Summary of Total Income, including the items above		
Charitable activities	1,156,422	1,280,580
Donations & Legacies	220,121	157,285
Investment income	75,653	81,624
Total income as shown in the SOFA	1,452,196	1,519,489

21 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2022 £	2022 £	2022 £	2022 £	2021 £
Teaching activities					
Direct costs	502,791	-	-	502,791	533,041
Premises expenses	-	262,371	-	262,371	229,485
Administrative overheads	-	18,210	-	18,210	27,556
Depreciation	-	54,929	-	54,929	56,537
Total Teaching activities	502,791	335,510	-	838,301	846,619
	Direct costs	Support costs	Grant funding of activities	Total	Total
	2022 £	2022 £	2022 £	2022 £	2021 £
Welfare and accomodation					
Direct costs	122,553	-	-	122,553	78,812
Premises expenses	-	387,145	-	387,145	336,087
Administrative overheads	-	2,289	-	2,289	4,721
Depreciation	-	54,929	-	54,929	56,537
Total Welfare and accomodation	122,553	444,363	-	566,916	476,157

AL BADR ISLAMIC TRUST

Activity analysis of Income and expenditure for the for the year ended 31 December 2022

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2022	2022	2022	2022	2021
	£	£	£	£	£
Student support					
Employee costs not included in direct costs	-	1,300	-	1,300	1,289
Administrative overheads	-	111,424	-	111,424	63,216
Professional fees	-	11,920	-	11,920	2,845
Depreciation	-	57,040	-	57,040	56,637
Total Student support	-	181,684	-	181,684	123,987

Summary of charitable costs by activity

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2022	2022	2022	2022	2021
	£	£	£	£	£
Total Teaching activities	502,791	335,510	-	838,301	846,619
Total Welfare and accomodation	122,553	444,363	-	566,916	476,157
Total Student support	-	181,684	-	181,684	123,987
Total Other charitable activities	-	-	-	-	-
Governance costs as detailed in note 29	-	7,995	-	7,995	10,217
Total charitable expenditure	625,344	969,552	-	1,594,896	1,456,980

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 30

Analysis of support and governance costs by charitable activities

Activity	Governance	Depreciation	Human Resources	Other Overheads	Total
	£	£	£	£	£
Teaching activities		54,929	-	280,581	335,510
Welfare and accomodation	-	54,929	-	389,434	444,363
Student support	7,995	57,040	1,300	123,344	189,679
Grand Total	7,995	166,898	1,300	793,359	969,552

AL BADR ISLAMIC TRUST

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2019

This analysis is classsified by conventional nominal descriptions and not by activity.

23 Donations and Legacies

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Donations and gifts from individuals				
General donations from individuals and organisations	220,121	-	220,121	145,499
Revenue grants from government and public bodies				
Job Retention scheme- Furlough grants	-	-	-	11,786
Total Donations and Legacies	220,121	-	220,121	157,285

24 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Primary purpose and ancillary trading				
School fees	1,088,634	-	1,088,634	1,164,182
Sundry income	67,788	-	67,788	116,398
Total Primary purpose and ancillary trading	1,156,422	-	1,156,422	1,280,580

25 Total Income from charitable activities

	Current year Unrestricted Funds £ 2022	Current year Restricted Funds £ 2022	Current year Total Funds £ 2022	Prior Year Total Funds £ 2021
Total income from charitable trading	1,156,422	-	1,156,422	1,280,580
Total from charitable activities	1,156,422	-	1,156,422	1,280,580

AL BADR ISLAMIC TRUST

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2019

26 Investment income

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Property Rental Income	66,785	-	66,785	76,331
Other Investment Income	8,868	-	8,868	5,293
Total investment income	75,653	-	75,653	81,624

The above rental income includes rent received from tangible fixed assets which amounted to £66,785 (£76,331-2021)

27 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Gross wages and salaries - charitable activities	456,391	-	456,391	480,185
Defined contribution pension costs - charitable activities	1,945	-	1,945	1,490
School expenditure	44,455	-	44,455	51,366
Catering and food	122,553	-	122,553	78,812
Total direct spending	625,344	-	625,344	611,853

AL BADR ISLAMIC TRUST

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2019

28 Support costs for charitable activities

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
<i>Employee costs not included in direct costs</i>				
Payroll fees and charges	1,300	-	1,300	1,289
<i>Premises Expenses</i>				
Rates and water charges	124,772	-	124,772	106,603
Light heat and power	131,585	-	131,585	137,190
Cleaning and waste management	32,203	-	32,203	19,810
Premises repairs, renewals and maintenance	360,956	-	360,956	301,969
<i>Administrative overheads</i>				
Telephone, fax and internet	12,551	-	12,551	12,953
Stationery and printing	160	-	160	6,290
Motor expenses	5,442	-	5,442	4,703
School fees waived	89,634	-	89,634	36,492
Equipment expenses	2,289	-	2,289	4,721
Hire of equipment	1,180	-	1,180	-
Website maintenance	18,130	-	18,130	24,411
Liability and contents insurance	3,914	-	3,914	3,753
Sundry expenses	2,267	-	2,267	456
Profit/ Loss on disposal	(3,644)	-	(3,644)	1,714
<i>Professional fees paid to advisors other than the auditor or examiner</i>				
Accountancy fees other than examination or audit fees	2,000	-	2,000	1,250
Other legal and professional	9,920	-	9,920	1,595
<i>Financial costs</i>				
Bank charges	2,111	-	2,111	99
Depreciation & Amortisation in total for the period	164,787	-	164,787	169,612
Total support costs	961,557	-	961,557	834,910

The basis of allocation of costs between activities is described under accounting policies

AL BADR ISLAMIC TRUST

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2019

29 Other Expenditure - Governance costs

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Auditor's fees	3,960	-	3,960	6,700
Ofstead fees	4,035	-	4,035	3,517
Total Governance costs	7,995	-	7,995	10,217

30 Total Charitable expenditure

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Total direct spending	625,344	-	625,344	611,853
Total support costs	961,557	-	961,557	834,910
Total Governance costs	7,995	-	7,995	10,217
Total charitable expenditure	1,594,896	-	1,594,896	1,456,980